

Free And Secure Trade

Highway Carrier Application Process



Government
of Canada

Gouvernement
du Canada



United States
of America

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FAST Highway Carrier – Application Process

Free And Secure Trade (FAST) Highway Carrier Registration is the result of the Smart Border Declaration - 30 Point Action Plan and is a harmonized program involving the Canada Customs and Revenue Agency (CCRA) and the United States Customs Service (USCS).

The CCRA and the USCS are co-operating in this program to simplify border crossing for pre-approved low risk highway carriers.

Highway carriers authorized to use the FAST program will:

- have a demonstrated history of complying with all relevant legislative and regulatory requirements;
- have entered into an undertaking with the CCRA to provide the information required in Section E of this Guide **and** signed a Partners in Protection Memorandum of Understanding (Canada only)
- have made a commitment to security-enhancing business practices as required by the U.S. Customs-Trade Partnership Against Terrorism (C-TPAT) and Canada's Partners in Protection (PIP) program(s);
- use drivers that are in possession of a valid FAST Commercial Driver card when using FAST clearance; and,
- in the case of carriers seeking FAST clearance into Canada, be bonded and have the necessary business processes required for the Customs Self-Assessment (CSA) program.

This document will guide you through the necessary steps to become a FAST approved highway carrier.

What are the benefits?

FAST approved highway carriers will benefit from:

- dedicated lanes (where available) for greater speed and efficiency in the clearance of FAST transborder shipments;
- reduced cost of compliance with customs requirements; and,
- a strong and ongoing partnership with the Canadian and U.S. Customs administrations in recognition of their shared objective to enhance security and safety while protecting the economic prosperity of both countries.

How do I apply?

In this guide you will find information on the FAST program as well as a comprehensive application process that must be completed in order to become a FAST participant.

Highway carriers have three options in becoming a FAST participant:

- FAST participant for expedited clearance into the United States only (Complete sections A – F and mail completed application to U.S. address only);
- FAST participant for expedited clearance into Canada only (Complete sections A – G and mail completed application to Canada address only);
- FAST participant for expedited clearance into both Canada and the United States (Complete sections A – F and mail to the U.S. address and complete sections A – G and mail to the Canadian address).

The addresses for the FAST program in both Canada and the U.S. can be found at the end of this guide.

For FAST clearance into the United States, you must:

- be a C-TPAT approved carrier.

For FAST clearance into Canada, you must:

- be CSA approved; and
- have entered into an undertaking to provide the information required in Section E of this Guide **and** sign a Partners in Protection Memorandum of Understanding.

Notes

1. To obtain FAST clearance you must use a FAST approved driver and be carrying qualifying goods for a FAST approved importer.
2. You will be subject to random compliance and enforcement checks at any time by both Canada and the U.S.

What information must I provide?

The following sections give details about the information you must provide to apply for FAST. Unless otherwise specified, this information is preferred in electronic format¹. For the certification process, highway carriers are to use company letterhead and have an authorized officer sign that the completed company profile is true and complete.

Section A – Corporate information

You are required to provide your:

- Company, trading, operating or partnership name(s);
- Business Number (BN) (Canada Only);
- Language of correspondence (applicants to Canada have the option of either English or French);
- Carrier code (Canada only);

¹ Preferred medium is Compact Disc (CD)

- SCAC code (U.S. only);
- Legal Business Name;
- Business Address;
- Mailing Address (if different from Business Address);
- Ownership type – e.g. are you a:
 - Corporation;
 - Sole Proprietor;
 - Partnership;
 - Other (describe).
- Web site address (where available);
- A FAST contact name within your company:
 - Title and address of the above contact name (include phone number, fax number and e-mail address).
- How many shipments (releases) did you transport into Canada during the past 24 months?
- How many passages (crossings with freight) did you transport into the U.S. during the past 24 months?
- How many years have you been transporting international shipments?
- What border crossings do you normally use?
- If you move goods for any importer to whom you are related (including yourself) include their business names and numbers.
- Provide the name and address for all terminals or warehouses you own or operate.
- Provide general information on your company such as when it was founded, the size of your company (how many employees).
- What services do you offer (e.g. intermodal, freight forwarding, etc.)?

Section B – Corporate Structure

Provide the following information for **all** of your Canadian and U.S. Divisions:

- Trade, operating or partnership name;
- Legal business name;
- Business Type, e.g. carrier, freight forwarder, courier, importer, broker;
- Business Address;
- Web site address (where available);
- Number of years in the transport industry;
- Business Number(s) (BN) (Canada only);
- SCAC codes associated with these divisions (U.S. only); and
- Carrier codes (Canada only).

Section C – Drivers and Owner-Operators

- Do you employ company drivers?
- Do you contract owner-operators²? (Provide list)
- If you use drivers from an external source give the name, address and phone number of the agency/agencies used.

Drivers must be in possession of a valid FAST Commercial Driver card to use the FAST program.

Section D – PIP Undertaking and Memorandum of Understanding C-TPAT Highway Carrier Agreement

As part of your commitment to enhanced security, the following documents require the signature of an authorized company officer, in duplicate, for **each** nation to which you are applying.

- FAST applicants to Canada must enter into an undertaking agreeing to complete and send the Security Questionnaire set out in Section E of this guide **and** enter into a Partners in Protection (Carriers) Memorandum of Understanding (Appendix I).
- FAST Applicants to the United States only must sign Customs Trade Partners Against Terrorism (C-TPAT) Highway Carrier Agreement (Appendix II contains the link to the U.S. Customs web site for this document)
- FAST Applicants to Canada and the U.S. are required to enter into both the undertaking to complete and send the Security Questionnaire set out in Section E of this Guide **and** the PIP (Carriers): Memorandum of Understanding **and** the C-TPAT: Highway Carrier Agreement.

The mailing addresses for these documents can be found at the back of this guide.

Section E – Security Questionnaire

Security is an important element of our partnership. We are looking to our partners to ensure sound security measures are implemented to help protect Canada and the United States from any unwanted persons or goods that could pose a threat to either country.

² Owner-operators include drivers who own their equipment and owners of multiple pieces of equipment (fleet operators) who dedicate equipment to the FAST applicant carrier by written contractual agreement.

To assist you in the completion of the security questionnaire, the PIP and C-TPAT “*Highway Carrier Security Recommendations*” are attached as Appendix III.

To facilitate the application process, within 60 days of signing the PIP-MOU and/or the C-TPAT Highway Carrier Agreement, provide an executive summary outlining the process elements of the security procedures you currently have in place. At minimum, address the following elements:

Physical Security

- Describe what measures are in place to protect the physical security of your company’s facilities and conveyances.
- What measures are in place to prevent theft of goods at your premises or while in transit?
- What security measures are in place with respect to shipping and receiving controls?
- What security measures are in place to protect your automated systems?
- Describe your security program’s internal controls and method to report and correct problems.
- Describe the changes you envision making to improve security. Identifying perceived weaknesses or gaps would not necessarily prohibit participation in C-TPAT or PIP. Customs is committed to working with you to identify effective corrections and adjustments to your processes that will result in a more secure supply chain operation.

Personnel Security

- Describe what pre-employment screening, recruiting practices and periodic background checks are conducted on your employees.
- Describe the training your employees are given on security awareness and procedures.
- What is your code of conduct policy regarding security violations?
- What internal controls are in place for reporting and managing problems related to personnel security?

Service Provider Requirements

- What security standards do you take to protect your property, conveyances and freight when employing service providers?
- Describe your plans to include major service providers and international trade chain partners in enhanced security measures, such as:
 - The Customs-Trade Partnership Against Terrorism (C-TPAT);
 - The Carrier Initiative Program (CIP);
 - The Super Carrier Initiative Program (SCIP);
 - The Business Anti-Smuggling Coalition (BASC);

- Partners In Protection; and/or
- Customs Self Assessment (CSA).

The security measures you have described are subject to verification by customs. Indicate the contact person, phone number and location at which the detailed procedures are available for review by customs in a verifiable format.

The Carrier and Customs acknowledge that during the processing of the Security Questionnaire, Customs may become privy to confidential information of the carrier. Customs recognizes the highly confidential and proprietary nature of such information, and agrees to take the appropriate measures to maintain the confidentiality of this information.

Section F – Terms and Conditions

Certification of the information submitted as being true and complete must be made on company letterhead, dated and contain an original signature of an authorized officer of the company.

The laws that protect personal information collected by government agencies differ in Canada and the United States.

The U.S. *Privacy Act* applies to U.S. citizens and U.S. permanent residents, including Canadian and other nationals who fall into either of these two categories. The Canadian *Privacy Act* applies to all persons applying to the Canadian portion of the program.

Penalties for the Providing of False Information

The failure to provide true, accurate and complete information in an application to the FAST program may result in denial of this application. Severe penalties are provided by law for knowingly and willfully falsifying or concealing a material fact, or using any false document in submitting this application.

If you are found in violation of the terms and conditions of this program, we may cancel your privileges and you may be subject to fines, penalties, and criminal charges.

Section G – Additional Requirements for Canadian Participants

This section must be completed in order for a highway carrier to be eligible for expedited FAST clearance into Canada. FAST applicants must demonstrate how:

- their business systems maintain accurate controls;
- their systems provide appropriate audit trails; and

- their internal controls and links allow them to follow a shipment from the initial order, through the delivery of that shipment and payment of the invoice.

Before completing the following section contact your designated Customs compliance manager.

Answer each of the questions below and submit, with your answers, the requested supporting documentation.

This section may be completed and submitted at the same time as the previous sections.

Note

If you use separate systems and/or procedures for individual clients or contracts you must complete this section for each system.

Business Systems Flow

1. Describe your current business flow for an international Canada – bound shipment, from the time a shipment is booked, through delivery of the goods to the importer, to invoicing and receipt of payment.

Attach one set of sample documents (e.g. bills of lading, waybills, invoices, customs control documents, Forms A8A *Customs Cargo Control document*, equipment lists, equipment usage logs, and dispatch records). Identify at what point in your process each of these documents is generated.

Your business flow may include:

- **Sales** – What documents are generated and how are they linked to the delivery and billing process (e.g., pro bill or order number)?
 - **Dispatch** – What documents are generated (trip number or next internal tracking document)? How are they linked from sales to the trip?
 - **Process** – Identify how the driver obtains all documents used from the point of pick-up of a shipment to the point of delivery of a shipment. Are these documents generated internally or externally, and how are they controlled?
 - **Delivery** – What is your delivery process? Attach the documents used and describe how they are returned and filed (e.g., trip envelopes and proof of delivery receipts).
 - **Billing** – What is the billing practice in your company and what do you use to link a shipment back to the original sales order (provide sample invoice and identify link)?
2. Attach a list or printout of 25 Canada bound shipments. Please contact your Customs Compliance Manager for guidance.
 3. Describe the procedures that you have in place to control and report:
 - Overages, shortages or damaged goods; and,
 - Lost, astray, and refused shipments

FAST Requirements

FAST Clearance Process: A FAST Commercial Driver Registration card and bar codes must be presented to identify the driver, carrier, and importer when a FAST shipment arrives at the Canadian border. It is the carrier's responsibility to ensure that this required information accompanies the shipment.

Describe the procedure that will be implemented to ensure the correct bar codes will be presented with the FAST shipment.

Audit Trail Requirements

1. Describe how your system will:
 - Identify a FAST shipment;
 - Identify a FAST approved importer or customer;
 - Identify a FAST registered driver;
 - Produce a list that will identify shipments that were authorized to deliver but were not delivered to the consignee within 40 days of the date that they were reported at the border; and
 - Provide and maintain a current list of owner operators, terminals and warehouses.
2. You must maintain proof of delivery for goods that have been "authorized to deliver". Describe how your system will provide an audit trail, to prove the delivery of a FAST shipment to the FAST importer, owner, or domestic consignee.

Section H – Contact Information

Additional information can be found on the following web sites:

The PIP and CSA programs at www.ccra-adrc.gc.ca

The FAST--C-TPAT program at www.Customs.gov

Mail U.S. FAST applications to:

U.S. Customs Service
Fast Carrier Registration Office
50 South Main ST., Suite 100R
St. Albans, VT. 05478

Mail Canadian FAST applications to:

FAST Carrier Application
CSA/FAST Division
CCRA
7th Floor
171 Slater St.
Ottawa, ON. K1A 0L5

Before you mail, have you?

- Provided a signed a copy of the Undertaking to enter into and complete the Security Questionnaire.
- Signed a copy of the PIP- MOU, an original signature is required.
- Signed a copy of the C-TPAT Highway Carrier Agreement, an original signature is required.
- Used company letterhead and have an officer of the company sign the certification of the information as being true and complete?

PARTNERS IN PROTECTION

MEMORANDUM OF UNDERSTANDING TO ENHANCE BORDER SECURITY

And to suppress contraband smuggling

BETWEEN

THE MINISTER OF NATIONAL REVENUE

as represented by the Commissioner of Canada Customs and Revenue Agency
(hereinafter referred to as “Customs”)

AND

(PARTNER NAME)

as represented by (signing authority)
for and on behalf of
(Partner name) (hereinafter referred to as “_____”)

PURPOSE OF MEMORANDUM

The purpose of this Memorandum of Understanding (MOU) is to establish a partnership between the two parties to strengthen efforts to enhance border security, combat organized crime and terrorism, increase awareness of customs compliance issues, and to help detect and prevent contraband smuggling in accordance with the PARTNERS IN PROTECTION program. The partnership will focus on developing a more secure border environment through enhanced physical security throughout production, transportation and importation processes.

Both parties recognize the benefits to be gained by enhancing border security, increasing compliance and combating terrorism. By working in partnership, both parties contribute to the protection of Canadian society and the facilitation of **legitimate trade**.

GENERAL COMMITMENTS

Customs acknowledges that the prime responsibility of (partner name) is to engage in its business activities.

The conditions outlined in this memorandum are voluntary and do not replace any legal or contractual obligations. (Partner name) will not be asked to act as a law enforcement body. All information received under the PARTNERS IN PROTECTION program will be treated as confidential. Information received of a financial, commercial or technical nature will not be disclosed. Fulfilling the conditions of this memorandum should not intrude unduly on the operations of either party.

Customs will consider (partner name)'s participation in the PARTNERS IN PROTECTION program in making risk determinations for the purposes of cargo examinations.

(Partner name) will promote the partnership to their employees and encourage them to cooperate fully with Customs in an effort to enhance border security.

This MOU is effective from the date signed until one of the parties or their designates gives written notice of its termination. Customs will confirm in writing (partner name)'s enrolment in the program. Both parties agree to consult one another prior to terminating the MOU and both parties must approve any modification to this agreement.

ENHANCED SECURITY

(Partner name) will take efforts to ensure that its security programs meet the suggested guidelines as set out in the Security Recommendations.

(Partner name) will advise Customs of existing security measures by completing and returning a security questionnaire within 60 days of signing this agreement. Customs will review the information submitted and provide feedback where necessary. Customs may participate with (partner name) in joint security reviews, including site visits, and may include representatives from United States Customs Service in the review. (Partner name) will take action that both parties agree are reasonably necessary to correct any issues identified during the security review.

(Partner name) will establish security systems for foreign and domestic cargo storage and handling facilities, container yards and conveyances to prevent improper access to cargo, container or conveyances and to prevent the transportation of contraband.

(Partner name) will review security measures on a periodic basis, to prevent as far as possible, unauthorized access to facilities, equipment, document processes and cargo shipments.

For contraband and security purposes, prior to lading, carriers should review container construction for anomalies, inconsistencies or indicators of risk. This includes seal tampering, parasitic attachments, stowaways, fresh or new paint, patching, welding, and performing container number check digit formula. Any suspicious should be forwarded to the appropriate Customs authority.

(Partner name) will take all reasonable and legal precautions to screen new employees to ensure their integrity.

(Partner name) will communicate participation in the PARTNERS IN PROTECTION program to suppliers and service providers. Where practical, (partner name) will condition its business dealings to those entities who agree to take steps to ensure their security programs meet the guidelines set out in the Security Recommendations.

INFORMATION EXCHANGE

Both parties will encourage and promote an open and ongoing dialogue. Both will appoint liaison representatives who will meet periodically to exchange information and to discuss topics of mutual interest, including the progress of the PARTNERS IN PROTECTION program. This dialogue will allow Customs and (partner name) to better understand each other's roles and responsibilities and will provide the framework for a more productive relationship.

(Partner name) will set up procedures to encourage staff to alert Customs to suspicious circumstances involving potential Customs offences. (Partner name) will identify specific compartments onboard conveyances that may be used to conceal contraband and will advise Customs. Customs will provide (partner name) with contacts for advice or instructions when a Customs offence is suspected.

Upon request, in the event of a suspected Customs infraction, to the extent allowed for by law, (partner name) will provide Customs with access to supplementary cargo, employee or passenger information.

Where drugs/contraband are found by an employee of (partner name), the employer will secure the area without handling the drugs/contraband, and will immediately report the discovery to Customs or to the appropriate law enforcement agency.

Customs and (partner name) will coordinate the release of information to the public regarding (partner name)'s participation in the PARTNERS IN PROTECTION program, when such announcements are agreeable to both parties.

AWARENESS SESSIONS

Both parties commit to raising awareness of security as it relates to the international movement of people and goods.

Customs will provide (partner name) with awareness sessions on indicators of suspicious cross border activities or security violations. Customs will also provide (partner name) with general information on security and smuggling issues. This will facilitate the exchange of information between both parties.

(Partner name) will advise Customs of new business trends that impact on border security.

(Partner name) will post signs regarding its participation in the PARTNERS IN PROTECTION program at its facilities to signify its commitment to enhanced border security.

The designated officials for the administration of this PARTNERS IN PROTECTION MOU, including any subsequent amendments, are as follows:

DESIGNATED OFFICIAL FOR THE CANADA CUSTOMS AND REVENUE AGENCY

Assistant Commissioner
Customs Branch
Canada Customs and Revenue Agency
Sir Richard Scott Building
6th Floor
191 Laurier Avenue West
Ottawa, Ontario
K1A 0L5

Telephone: (613) 954-7220

Fax: (613) 952-6752

DESIGNATED OFFICIAL FOR (PARTNER NAME)

(Name)

(Title)

(Address)

Telephone:

Fax:

IN WITNESS WHEREOF, this Memorandum of Understanding for the PARTNERS IN PROTECTION program was signed, in duplicate, each version being equally authentic.

FOR (PARTNER NAME)

FOR THE GOVERNMENT OF CANADA

At _____

At _____

Date _____

Date _____

(Name)
(Title)
(Partner name)

Rob Wright
Commissioner
Canada Customs and Revenue Agency

Appendix II – C- TPAT Highway Carrier Agreement

For more information on C-TPAT, visit the U.S. Customs Web site at: [**www.Customs.gov**](http://www.Customs.gov)

Appendix III – Security Recommendations



Canada Customs
and Revenue Agency

Agence des douanes
et du revenu du Canada



Highway Carrier Security Recommendations Customs Trade Partnership Against Terrorism (C-TPAT) Partners in Protection (PIP)

These are general recommendations that should be followed on a case-by-case basis depending on the company's size and structure and may not be applicable to all.

These recommendations will assist you in the development, implementation and maintenance of a sound plan to enhance security procedures.

Conveyance Security: Integrity should be maintained to protect against the introduction of unauthorized personnel and material. Conveyance security procedures should include the physical examination of all readily accessible areas, securing all internal/external compartments and panels, and procedures for reporting cases in which unmanifested or non-reported material, or signs of tampering, are discovered.

Physical Security: All carrier buildings and yards should be constructed of materials, which resist unlawful entry and protect against outside intrusion. Physical security should include adequate locking devices on external and internal doors, windows, gates and fences. Perimeter fencing should be addressed, as well as adequate lighting inside and outside the facility, to include the parking areas. There should be segregation and marking of international, domestic, high-value, and dangerous cargo within the warehouse by a safe, caged or otherwise fenced-in area.

Access Controls: Unauthorized access to facilities and conveyances should be prohibited. Controls should include the positive identification of all employees, visitors, and vendors as well as procedures for challenging unauthorized/unidentified persons.

Procedural Security: Procedures should be in place to protect against unmanifested or non-reported material being introduced aboard the conveyance. Security controls should include the proper marking, weighing, counting, and documenting of cargo/cargo equipment under the supervision of a designated security representative. Procedures should be in place for verifying seals on containers and trailers and a system for detecting and reporting shortages and overages. The timely movement of incoming and outgoing cargo should be tracked and there should be procedures for notifying Customs and other law enforcement agencies in cases where anomalies or illegal activities are detected or suspected by the company.

Manifest Procedures and Data/Documentation Protection: Companies should ensure that manifests are complete, legible, accurate, and submitted in a timely manner to Customs. Measures should be taken to protect electronic assets, including advising employees of the need to protect passwords and computer access. Measures should also be taken to secure the storage of unused forms, including manifests, to prevent the loss or unauthorized use of such documentation.

Personnel Security: Companies should conduct employment screening and interviewing of prospective employees to include periodic background checks and application verifications.

Education and Training Awareness: A security awareness program should be provided to employees including recognizing internal conspiracies, maintaining cargo integrity, and determining and addressing unauthorized access. These programs should encourage active employee participation in security controls.